

AGREEMENT FOR THE POSITIVE LOCATION OF UNDERGROUND UTILITIES

Date: March 8, 2004

PARTIES:

1. State of California, acting by and through the Department of Transportation ("Department"). "Department" includes the Department, its officers, agents, employees and contractors.
San Diego Gas & Electric Company
2. Southern California Gas Company ("Owner"). "Owner" includes the Owner, its officers, agents, employees and contractors.

RECITALS:

- A. Owner owns, operates or maintains underground utility facilities in the State of California.
- B. In order to facilitate the planning, design and construction of Department's projects and to ensure the safety of the traveling public, the horizontal and vertical location and/or apparent visual condition of underground utilities must periodically be confirmed. These activities and their results are known as "positive location", and are more commonly referred to as "potholes". Where referred to in this agreement, such positive location operations include but are not limited to: vacuum extraction excavation, electronic detection, probing, external and internal video inspection.
- C. In general, utility owners have been responsible for performing such positive location activities, with the cost of such activities apportioned as provided by California law, Master Contracts or Department's policies.
- D. Department's needs frequently require the positive location of underground utilities more expeditiously than Owner can readily or economically provide.
- E. Department is willing to assume control of the operation and cost of such positive location of underground utilities on a test basis to facilitate Department's needs from time to time as provided herein; and to determine if assuming the cost and operation of this work creates sufficient benefit to the Department to justify continuing the practice.

THEREFORE:

1. This agreement is made and executed by the parties hereto pursuant and subject to the provisions of Sections 680.5 and 707.5 of the Streets and Highways Code. It shall govern exclusively the determination of the obligations and costs to be borne by each party hereto in regard to work described herein in lieu of determination under the provisions of Sections 673, 680 and 700 to 707, inclusive, of said Streets and Highways Code, as now or hereafter existing, or under any other laws applicable to said subject matter. This agreement shall apply throughout the State of California to all of the Department's projects and related activities. It is not intended to, and shall not, establish any precedent, principle, rule or guide to interpretation, as between the parties hereto after its termination or as between either of the parties hereto and any third party at any time, and may be terminated at any time as provided herein.
2. The work to be performed under this agreement is limited to the work necessary to positively determine the horizontal and vertical location and/or apparent visual condition of the Owner's utility facilities with the degree of accuracy necessary to meet the Department's requirements. All work under this agreement shall be preceded by the delivery of a written notification to Owner by Department.
3. This agreement does not apply to the relocation, rearrangement, removal or protection of utility facilities.
4. When the work described in this agreement is performed by the Department, the cost of the work shall be borne by the Department. The Owner shall provide confirmation in the field of the identity and typical characteristics (including size, material, contents, pressure or capacity) of Owner's exposed utility facility and related activities, including but not limited to, inspection services at no expense to the Department, in accordance with the Department's time schedule.

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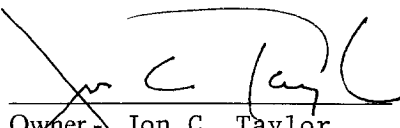
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5. It is anticipated that the work described in this agreement will be performed by the Department through the services of a contractor. In those instances when the Department chooses not to perform the work, the Department will issue a "Notice To Owner" ordering the Owner to diligently perform the work in accordance with Department's reasonable time schedule included in the Notice To Owner, and the Department will bear the cost of the work per separate agreement if the work is completed within the Department's time schedule. The Owner shall allocate sufficient staff and resources to meet all schedules established for the project design and construction work. Should the Owner not meet Department's schedule, Department shall have the right and option to perform such work to maintain Department's schedule.
6. The Owner may choose to perform certain positive location work itself, pursuant to prompt notification to Department of Owner's intention. When the Owner so elects to perform such work the cost of the work shall be borne by the Department in the same amount as the unit cost for such work by the Department's contractor for the District area. If no such contract exists at the time, cost shall be the most recent such contract cost for the District area. Department will issue a Notice to Owner ordering the Owner to diligently perform the work in accordance with Department's reasonable schedule included in the Notice to Owner. The Owner shall allocate sufficient staff and resources to meet all schedules established for the project design and construction work. Should the Owner not meet Department's schedule, Department shall have the right and option to perform such work to maintain Department's schedule.
- 7 It is intended that all work under this agreement performed by the Department shall be performed using the vacuum extraction method, hand excavation or comparable methods acceptable to the Owner and the Department. Electronic detection may also be used in conjunction with, and when confirmed by, vacuum extraction at the Department's option. Other machine methods may only be used to remove paving materials. Machine methods used by Department for any other purpose will require the concurrence and on-site observation of Owner.
8. Owner grants to Department, immediately upon receipt of notification, in accordance with the Department's time schedule, permission to perform positive location of Owner's facilities within Owner's private rights of way, wherever located. Owner retains the right to require reasonable controls and restrictions. Such controls and restrictions shall be promptly provided to the Department in writing.
9. Upon the completion of the work performed under this agreement, Department shall restore the work site to as good a condition as that found when the work commenced.
10. Department shall defend, indemnify and hold Owner harmless from any death, injury, or property claims made by any person which materially arise from work performed by the Department, its employees, agents and contractors pursuant to this agreement. Owner shall defend, indemnify and hold Department harmless from any death, injury, or property claims made by any person which materially arise from work performed by the Owner, its employees, agents and contractors pursuant to this agreement.
11. This agreement eliminates and replaces any previous agreement between the parties, or portions thereof, regarding positive location activities ("potholing").
12. This agreement may be amended, changed or altered by mutual consent of the parties hereto in writing.
13. This agreement may be terminated by either party upon ninety (90) days written notice.
14. Time shall be of the essence of this agreement.

Agreement For The Positive Location Of Underground Utilities

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Owner - Jon C. Taylor

3/9/04

Date

Title - Land & Right of Way Manager

San Diego Gas & Electric Company,

As Agent for Southern California Gas Company



Lorrie Wilson, Chief

3/12/04

Date

Utility Relocation Branch

Right of Way

Department of Transportation

See
Addendum

DISTRIBUTION:

Two Original Counterparts:

One Counterpart to Department – Right of Way H.Q.

One Counterpart to Owner

Rules & Regulations

Positive Location (Depth Check) Guidelines

These "Rules & Regulations Positive Location (Depth Check) Guidelines" are an amendment to that certain "Agreement for the Positive Location of Underground Facilities" ("Agreement") between San Diego Gas & Electric Company and Southern California Gas Company on the one hand and the State of California, acting by and through the Department of Transportation ("Department") on the other hand, and are attached thereto and are hereby made a part of.

I. Scope

This document outlines the requirements, with which the parties agree to comply, for performing positive location (depth check) on natural gas pipelines and electric system facilities operated by Southern California Gas Company (SOCAL) and San Diego Gas & Electric Company (SDG&E) (collectively referred to as "Owner"). The positive location (depth check) is to be performed by Department or one of its agents per Regional Notification Center requirements (Government Code Sections 4216 et seq.). Vacuum Excavation is the approved method in this Agreement. Other mechanical methods of performing positive location (depth check) will not be accepted without prior written concurrence by Owner and Department.

II. Facility Information

As part of the written Notice To Owner for Positive Location (depth check) (see Clause 2 in Agreement), Department shall provide a set of drawings, with dimensioning and/or scale when available, to Owner operating in the area under review. If the area is within the SOCAL service territory, drawings should be sent to both the Distribution and Transmission Technical Services Planning Groups at the addresses provided in Section X below. In the territory of SDG&E, send both gas as well as electric drawings to Gas Control and Gas Engineering at the addresses given in Section X below.

III. Scheduling of Positive Location (Depth Check)

In accordance with California Government Code Sections 4216 et seq., a minimum of two working days prior to beginning work, Department or its agent shall notify the appropriate Regional Notification Center of the proposed locations for positive location (depth check) work. Prior to contacting the Regional Notification Center, Department or its agent shall clearly delineate the area in the field where the proposed excavation shall occur. Owner shall be responsible for delineating their facilities in coordination with the Regional Notification Center.

In addition, a minimum of five days prior to positive location (depth check) work, Department or its agent must confirm the date of the proposed positive location (depth check) activity to Owner of the natural gas and / or electric facilities as outlined in the Notice to Owner.

IV. Inspection Requirements

A. Medium Pressure Natural Gas Pipelines (Operating under 60 PSI)

Positive location (depth check) performed on medium pressure facilities (steel/ plastic) do not require inspection by Owner's representative (SOCAL-distribution, SDG&E) unless specifically required by Department in the written Notice To Owner. (Note: Owner's representative may randomly inspect the positive location work for adherence to these guidelines and/or OSHA safety requirements).

B. High-Pressure Natural Gas Pipelines (At or above 60 PSI)

Positive location (depth check) performed on Owner's high-pressure facilities (at or above 60 P.S.I.G) or on facilities 6-inches or greater in outside diameter requires documented inspection by Owner. All positive location (depth check) that exposes such facilities will require a representative of Owner (natural gas pipeline operator) to be on-site. Department, or its agent, shall be responsible for notifying Owner to be onsite during this work.

C. High Voltage Electrical Lines

All positive location (depth check) that exposes conduit containing cable with a voltage greater than 750 Volts will require an Owner's representative from SDG&E be present on site prior to positive location (depth check) work. Department or its agent is responsible for notifying Owner or its representative to be onsite during this work.

V. Validity of Information

Department, in consultation with owner's on site inspector, pursuant to clause IV of this amendment, is responsible for obtaining accurate measurements and the proper delineation of the exposed natural gas or electric facility on the Department's plan, but only to the extent Government Code Sections 4216 et seq. provide that Owner has such responsibilities.

Department will also be responsible for maintaining contact with Owner to identify any alterations to the gas or electric facilities that may occur between the time period that positive location (depth check) is completed and when construction of the Department project occurs.

VI. Damages to Facilities

In the event that Department or one of its agents damages or suspects they may have damaged a pipeline, conduit or electric cable as a result of positive location (depth check) activities, Department or its agent shall immediately contact Owner (SOCAL or SDG&E) for inspection. If damages are sustained on the facility, Owner shall notify Department and make all necessary repairs. Department or its agent shall be responsible for all costs associated with the repair provided that the Owner has complied with applicable provisions of Government Code Sections 4216 et seq. Damage can include wrap damage to steel pipelines or gouge damage to plastic pipelines.

VII. Utility Relocation

In the event that a Utility relocation is required pursuant to positive location (depth check) information, Department shall notify Owner of the location of such required relocation. Department and Owner will partner to attempt either a mutually agreeable alternative to relocation or a timeframe for the relocation to occur.

VIII. Limitation of Liability

Notwithstanding anything to the contrary herein, in no event shall Owner (SOCAL or SDG&E) be liable for any damages (other than direct damages to persons or property for which Owner indemnifies Department pursuant to Section 10 of the Agreement) as a result of a breach of any obligation or condition applicable to Owner hereunder, including but not limited to indirect, incidental, consequential or punitive damages. This limitation of liability shall not apply, however, to any actions based upon Government Code Sections 4216 et seq.

IX. Interpretation

In the event of any inconsistency between this document and the terms of the Agreement, the terms of this document shall control subject to applicable state laws and regulations.

X. Service Territories / Addresses

Owner's addresses for notice of termination and Owner's addresses for Notice To Owner of proposed positive location (depth check) are set forth below and may be changed upon written notice to Department:

For notice of termination or other agreement issues, contact:

Jon C. Taylor
Land and Right of Way Manager
San Diego Gas & Electric Company as
Agent for Southern California Gas Company
555 W. 5th Street, Mail Location 26C2
Los Angeles, CA 90013-1011

And

San Diego Gas & Electric Company
Attn: Dennis Gerschoffer
8315 Century Park Court, Suite 210
San Diego, CA 92123-1550

For projects dealing with The Gas Company's Transmission Department, please send drawings to:

Southern California Gas Company Transmission Department
Attn: Pipeline Planning Assistant Transmission
9400 Oakdale Ave.
Chatsworth, California 91311-6511

AND to the appropriate Distribution office set forth below:

For Visalia and the Central Valley send drawings to:

Southern California Gas Company's North Region Planning Department
Attn: Technical Supervisor
404 N. Tipton Street
Visalia, CA 93291-6407

For San Luis Obispo and Ventura County send drawings to:

Southern California Gas Company's North Region Planning Department
Attn: Technical Supervisor
1171 More Rd.
Goleta, CA 93117

For Westlake Village, Woodland Hills, San Fernando, Lancaster, Glendale, Pasadena, Azusa, Alhambra and all cities North of FWY 60 and West of the 57 send drawings to:

Southern California Gas Company's North Region Planning Department
Attn: Technical Supervisor
9400 Oakdale Ave.
Chatsworth, California 91311-6511

For all Orange County and South LA Cities (Southeast of the 710 Freeway and South of the 60) send drawings to:

Southern California Gas Company's WR-Anaheim Planning Department
Attn: Technical Supervisor
1919 S. State College Blvd.
Anaheim, CA 92806

For all other LA County areas not specifically listed send drawings to:

Southern California Gas Company's WR-Compton Planning Department
Attn: Technical Supervisor
701 North Bullis Rd.
Compton, CA 90221

For Riverside County, San Bernardino County, and all cities North of the 60 FWY and East of the 57 send drawings to:

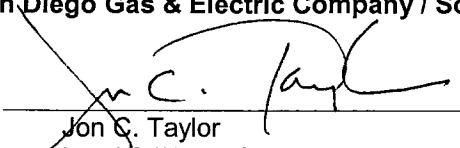
Southern California Gas Company East Planning Department
Attn: Technical Supervisor
1981 W. Lugonia Avenue
Redlands, CA 92373-9720

For San Diego County (gas or electric) send drawings to:

San Diego Gas & Electric Company
Attn: Dennis Gerschoffer
8315 Century Park Court, Suite 210
San Diego, CA 92123-1550
Phone: 1-858-636-3980
Fax: 1-619-819-4297

San Diego Gas & Electric Company / Southern California Gas Company

By


Jon C. Taylor

Land & Right of Way Manager

San Diego Gas & Electric Company as

Agent for Southern California Gas Company

Date

3/9/04

STATE OF CALIFORNIA

Department of Transportation

By



Lorrie Wilson, Chief

Utility Relocation Branch

Right of Way

Date

3/12/04